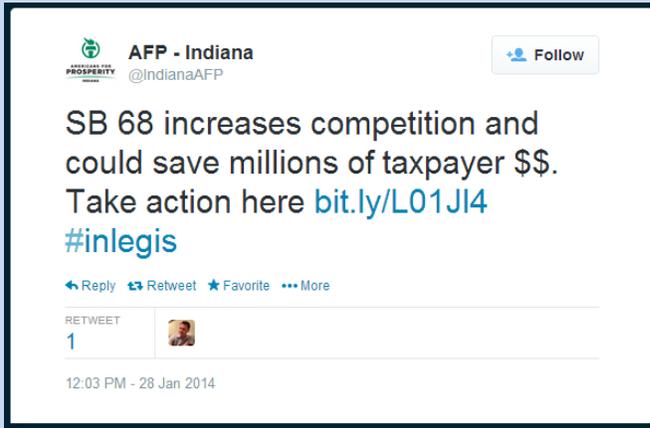


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PVC Loses Fight on Preference Bill in Indiana, but More States Are in the Crosshairs

PVC pipe manufacturers have failed in their attempt to establish a statutory preference for their product in Indiana law.

Tweeting for PVC ...



Conservative groups including Americans for Prosperity weighed in in favor of the PVC preference bill, claiming that it would save taxpayers money.

[SB 68](#) would have required all specifications for public works projects in Indiana involving piping materials to include “polyvinyl chloride piping material”. The legislation would have mandated that any pipe product that meets American Water Works Association (AWWA) or American Society for Testing and Materials (ASTM) standards must be included in specifications and allowed in projects. However, only PVC was mentioned by name in the bill.

SB 68 was supported by conservative groups, including [National Taxpayers Union](#) and [Americans for Prosperity](#), who have apparently bought in to the notion that PVC is being unfairly excluded from specifications and that wider use of the product will help

governments save money. AFP’s statement in support of the bill specifically said that “if PVC were used for Indiana’s future water infrastructure ... the result would be well over \$1.3 billion in savings.” Not surprisingly, organizations representing competing pipe products are concerned that this notion is myopic and puts short-term costs ahead of long-term savings.

Strong opposition to SB 68 came from the Indiana Conference of Mayors and American Consulting Engineers Council (ACEC) of Indiana. ACEC Indiana argued that the legislation was an attempt to pick winners and losers in the market place and that the bill would replace the professional judgment of engineers with a top-down, one-size-fits all legislative mandate. The organization also argued that the bill’s directive that all acceptable piping materials may be acquired for and used in public works projects would make it difficult to complete projects on time and on budget due to protests during the bidding process.

Ultimately, the PVC language was struck from the bill in committee and ACPPA is told by sources in Indianapolis that the legislation is now considered dead for the year. But similar legislation to influence the pipe specification process has been introduced in Ohio ([HB 417](#)) and Tennessee ([HB 2210](#)).

We welcome input from members about this issue. Do you see the state legislation as a threat? Should ACPPA get involved? If so, how? Shoot a note to ACPPA President Richard Mueller (rmueller@acppa.org) and ACPPA Counsel Christian Klein (christian.klein@potomac-law.com).

Water Resources Legislation Nears Finish Line

A congressional conference committee is near agreement on a final report for the Water Resources Development Act, according to key Capitol Hill negotiators.

Lawmakers have been attempting to reconcile differences between House and Senate water resources bills since November ([H.R. 3080](#))([S. 601](#)). The legislation, which authorizes Army Corps of Engineers projects, has been a top ACPPA priority.

The Senate-passed bill contained a Water Infrastructure Financing and Innovation Act (WIFIA) pilot provision. WIFIA, based on a similar program used for transportation infrastructure investments (TIFIA), offers loans, loan guarantees, and other credit support for water infrastructure projects. To ensure the WIFIA provision is included in the final legislation, ACPPA is asking its members to send their congressional leaders a [letter](#) urging them to sign onto a "Dear Colleague" letter being circulated by Pennsylvania Reps. Tim Murphy (R) and Mike Doyle (D). The deadline to submit is March 4.

Obama Unveils Four-Year Transpo Plan

On Feb. 26, President Obama released his [plan](#) to inject hundreds of billions of dollars into surface transportation infrastructure programs to create jobs and repair our nation's crumbling roads and bridges.

The proposal calls for a \$302 billion, four-year transportation reauthorization that provides increased funding for highways, bridges, transit, and rail systems. Funded by revenue generated from comprehensive tax reform efforts, it would add \$63 billion to the Highway Trust Fund (HTF) over the next four years to avoid the fund's impending insolvency. The Congressional Budget Office has estimated the HTF will run out of money before the Sept. 30 expiration of the 2012 highway funding bill (MAP-21).

Expected to be included in Obama's fiscal year 2015 budget request, the initiative would invest \$206 billion for highways and road safety (including the \$63 billion for the HTF), \$72 billion for transit systems and expanded transportation options, \$19 billion for rail programs, and an additional \$9 billion to incentivize innovation in transportation systems.

Come to Cement & Concrete Day in Washington, D.C.

On April 30, come to Washington to advocate alongside industry colleagues at the second annual Cement & Concrete Day. Organized by Portland Cement Association, participants will storm Capitol Hill to promote expanded use of cement and concrete in federal infrastructure projects. For more information, contact Daniel Fisher at Daniel.Fisher@potomac-law.com or call 703-299-0784.

Draft Tax Reform Legislation Released

On the same day Obama unveiled his transportation funding plan, House Ways & Means Committee Chairman Dave Camp (R-Mich.) released draft legislation outlining [comprehensive tax reform](#).

With Camp's Ways & Means chairmanship ending at the end of this Congress, tax policy experts believe he distributed the draft to spur debate on potential tax proposals and set the stage for comprehensive reform next year.

Apart from setting new, lower individual and corporate tax rates, the draft would dedicate \$126.5 billion over the next eight years to the Highway Trust Fund to fund surface transportation investment.

The good news is that both the administration and congressional leaders seem to be waking up to the HTF's looming insolvency. Unfortunately, no one has proposed doing what's REALLY necessary, which is creating new user fee revenues (i.e., raising the gas tax, creating a vehicle mile traveled fee, etc.) to restore the HTF's long-term solvency. Also, water infrastructure – sewers and drinking water – have been noticeably absent from the conversation. This is a major point of frustration for ACPPA and other groups, which have been working for years to build awareness about the nation's staggering water construction needs. The fight goes on!

ACPPA Welcomes New Member Amiantit Oman



Amiantit Oman is ACPPA's newest member, and the first to join the association from beyond North America. Based in Muscat, Oman, the billion-dollar company manufactures and exports a variety of plastic and concrete products, including precast concrete pipe. *Actionline* caught up with Amiantit Oman General Manager G.V. Srish to discuss his company, infrastructure markets in the Middle East, and the value of ACPPA membership.

Actionline: First, I'd like to welcome Amiantit Oman to ACPPA. Tell us a little bit about your company. How long have you been in business? What products and services do you provide?

Srish: Amiantit Oman LLC was incorporated through a royal decree and started as a producer of fiber cement pipes in 1976. Amiantit Oman is owned by three of the most prominent business groups in Oman. Together these groups comprise 60 percent of Oman's industrial economy. Amiantit Oman currently manufactures and supplies:

- Thermoplastic (HDPE) pipes and manholes for the water industry as well as service for jointing of pipelines;
- GRP double walled tanks for petroleum product storage;
- PVC pipes for the water and wastewater industry;
- GRC panels and claddings for building industry;

- HDPE roto-molded tanks and products and roto-lining of steel pipelines used in petroleum refineries; and
- Installation services for the above products.

Amiantit Oman Concrete Products LLC, a wholly-owned subsidiary, was incorporated in 2010 and set up a state of the art integrated facility for manufacturing precast gravity and pressure pipe products.

Design and manufacturing of reinforced concrete pipes, jacking pipes, box culverts, and HDPE lined manhole systems are some of the major products and services Amiantit Oman offers.

Actionline: What attracted you to ACPPA and why did you decide to join the association?

Srish: Amiantit Oman is committed to delivering quality products to its customers who keep their trust and confidence in our company for mutual benefit. All major products stated above are audited by one or more third party accreditations. The whole manufacturing process is strictly monitored at each qualifying stage of production. Amiantit Oman's quality management systems and business processes are audited and certified by DNV (Det Norske Veritas) for ISO 9001, ISO 14001 and OHSAS 18001. Concrete storm water pipes, jacking pipes and manholes are further audited and certified by BSI for kite marking. In fact, Amiantit is the first company in the region to have obtained license for kite marking their products. Box culverts are audited for CE marking. All the above audits were successfully completed within a span of 14 months from the date of launch of commercial operations. All products are subjected to periodical inspection by third party agencies. Similarly Amiantit Oman considered ACPPA for seeking an accreditation for PCCP since the entire manufacturing process is being audited by Lloyds Register Quality Assurance. Passing the LRQA audit has been a major milestone in the history of Amiantit Oman.

Actionline: What sectors are Amiantit Oman's primary product markets? What challenges do the region's concrete pressure pipe manufacturers face in the near- and long-term?

Srish: Amiantit Oman currently supplies its products to road, water, and wastewater sectors. Oman is strategically located along the coast overlooking the Arabian Sea with mountains on one side and sandy desert to the other. The country is widely spread but thinly populated; hence the infrastructure needs are disproportionate to the land area. Development is mostly limited to the coastal areas and a few major cities in the interior. Since Oman's mainstay is oil production, other economic activities are limited. Development of roads, bridges, and ports are consistently growing. Amiantit Oman introduced precast concrete pipes, manholes, box culverts and products for the first time in Oman and the challenge thus lies in changing the mindset and perception of the employers and consulting engineers and also in bringing about change by replacing thermoplastic products with longer lasting concrete pipe products.

Actionline: How is Amiantit Oman positioning itself for success in 2014?

Srish: Amiantit Oman has undertaken a multi-pronged approach to influence clients, consultants, and contractors to use concrete products in most of their current ongoing projects. The process of change is tedious since it necessitates variations to the contract specifications. Simultaneously Amiantit Oman is influencing design consultants to incorporate precast products in all their future tenders. Contracting customers are being addressed with technical presentations to bring in awareness about availability of

locally produced concrete products. Thus Amiantit is determined to keep up its reputation in the precast molded products segment.

Actionline: As we have seen recently in the United States, political indecision can create economic uncertainty. What impact do policies in Washington, D.C. have on your decision-making process?

Srish: Oman enjoys a stable political and economic situation. Infrastructure development is slow but steady. Policies in the country are ripe for Omani nationals who are getting into senior managerial positions, which is a good sign. Petroleum production is an economic mainstay of the country. American policies have little bearing and impact on Oman's current situation.

Actionline: Tell us a little about yourself and your career. How did you get started in the industry? What positions did you hold before your current one?

Srish: I have 34 years of experience in the private sector. I started my career in 1979 in India, after completing my engineering degree. I worked initially as a management trainee and later as an engineer with a leading automotive tire company for six years in the manufacturing and new projects departments.

I shifted my specialization to engineering construction and contracting in 1986 and continued to contribute there in different positions until 2009 from being a project manager to projects director. During my 23 years in the contracting field, I set up and also managed three stationary and two mobile facilities at different locations for manufacturing and installing concrete pipes up to 2200mm (88 inches), cement lined and coated steel pipes up to 2600mm (104 inches), pre-stressed concrete pipes (non-cylindrical) and bar wrapped steel cylinder pipes up to 1600mm (60 inches) with up to 12 bar operating pressure. The concrete pressure pipes were mostly used for transmission of treated water for drinking purposes and pumping treated sewage. The bar wrapped steel cylinder pipes of larger diameter were also used for transmission of raw water to lift irrigation and other agriculture purposes. This job brought me immense satisfaction as I commissioned quite a few water supply schemes to provide water for a noble cause. I dealt with many governmental and project implementing authorities in different states of India.

I joined Amiantit Oman in 2009 as general manager to set up a state of the art facility from green field stage to bring in the most updated technology for production of concrete gravity and pressure pipes. I took this job seriously and put to use my intellect to complete the project within the projected cost and time frame. The new combined facility for gravity and pressure pipe products has an 18,000 square meter roofed area with the most modern robotic machinery for production of pipes, boxes, manholes and PCCP. The facility came into production in phases from the last quarter of 2011. The PCCP facility was commissioned in late 2012.

ACPPA thanks G.V. Srish for taking the time to share his insights and looks forward to working with Amiantit Oman.

CBO Report Highlights HTF Shortfall, Need to Find Alternative Revenue Streams

On Feb. 4, the Congressional Budget Office (CBO) updated its biannual projections of the Highway Trust Fund (HTF) cash flow, estimating that the HTF will run out of money before the Sept. 30 expiration of the 2012 highway funding bill (MAP-21).

CBO also said that HTF revenues (gas tax, diesel tax, etc.) will fall more than \$100 billion short of the amount needed just to keep annual highway investment at current levels (roughly \$40 billion) over the next six years.

As the newest CBO numbers indicate, it is vital that our nation's leaders act now to maintain the HTF's solvency. Visit ACPPA-action.org to tell your lawmakers to find alternative revenue streams for the federal highway program today.

T&I Chairman Shuster Takes Gas Tax Off the Table

On Feb. 4, House Transportation & Infrastructure Committee Chairman Bill Shuster (R-Pa.) stated he would not pursue a federal gas tax hike and would instead favor a vehicle-miles-traveled (VMT) fee to support the federal highway program in the upcoming highway reauthorization debate.

While a VMT fee has been studied at the state level, most experts agree that the best long-term solution for the HTF is to tie revenues to road usage, not fuel consumption. But it is unclear how such a federal program would be structured given privacy concerns. Experts also point out that it would take considerable time to implement a VMT system and that money wouldn't start flowing in quickly enough to address the HTF's immediate needs.

ACPPA commends Chairman Shuster for thinking about how best to ensure the HTF's long-term solvency. But we also believe all options must remain on the table to ensure our nation's transportation networks have the resources they need to create jobs, grow the economy, and ensures America's competitiveness for generations to come.

State Dept. Releases Final Keystone Environmental Analysis

On Jan. 31, the State Department unveiled its [final environmental impact statement](#) (EIS) on the proposed Keystone XL pipeline confirming State's previous findings in a [draft version](#) issued in March 2013 that the pipeline will have minimal environmental impact.

The EIS was issued in response to TransCanada's May 2012 application for the section of the Keystone XL pipeline that would run from Canada to Nebraska. The document reviews potential environmental impacts associated with the proposed project, including construction and potential spills, as well as the project's effect on climate change and the economy.

The State Department will now conduct a 90-day "national interest determination" to run concurrent with a 30-day public comment period. Secretary of State John Kerry, in close consultation with the White House,

will then make the ultimate judgment to approve or reject the pipeline, although there is no deadline for his decision.

ACPPA encourages its members to submit comments and to remind lawmakers that the Keystone pipeline would create thousands of American jobs and strengthen national security by decreasing our dependence on far-away oil. Visit ACPPA-action.org today to help make Keystone XL a reality.

Nebraska Judge Strikes Down Keystone Approval

On Feb. 20, a Nebraska judge invalidated a state law permitting the governor to authorize the Keystone XL pipeline's construction in the Cornhusker state.

Early last year, after state lawmakers shifted exclusive decision making authority to deny or approve the project's route from the Public Service Commission (PSC), Republican Governor Dave Heinemann approved building approximately 200 miles of the pipeline proposed to go through Nebraska. The state is integral to Keystone's completion, which will travel from Canada to the Gulf of Mexico.

Several land owners with property along the pipeline's path challenged the constitutionality of the legislature's decision to divest the sole project approval from the PSC. The governor appealed the court's decision, asserting lawmakers had the power to transfer authority to him.

Unfortunately, the case's outcome could further delay the proposed pipeline. The Keystone XL project has been awaiting a presidential permit for more than five years, but the recent decision could give federal officials an excuse to procrastinate even longer before coming to an ultimate conclusion on the project's merits.

Senate Hearing Examines Surface Transportation Reauthorization

On Feb. 12, the Senate Environment & Public Works (EPW) Committee held a hearing, "[MAP-21 Reauthorization: The Economic Importance of Maintaining Federal Investments in our Transportation Infrastructure](#)," to set the stage for replacing the current surface transportation authorization legislation (MAP-21), which will expire on Sept. 30.

Tom Donohue, president and CEO of the U.S. Chamber of Commerce, kicked off testimony by [emphasizing](#) the importance of investing in our nation's infrastructure to create jobs and grow the economy. His sentiments were echoed by [Jay Timmons](#), president and CEO of the National Association of Manufacturers; [Richard Trumka](#), president of the AFL-CIO; and [Michael Hancock](#), president of the American Association of State Highway and Transportation Officials (AASHTO).

[T. Peter Ruane](#), president and CEO of the American Road and Transportation Builders Association, highlighted the looming deadline set by the Congressional Budget Office (CBO), which projected \$100 billion in new revenues will be needed over a six-year period just to maintain the Highway Trust Fund's (HTF) current investment levels.

While EPW Committee members voiced strong support for federal infrastructure investment, most were unsure of how to fund the rebuilding of our nation's roads and bridges. Donohue and other witnesses urged

lawmakers to take a close look at a “modest” gas tax increase in the near-term as Congress explores long-term funding options such as vehicle-miles travelled fees.

It is more important than ever to invest in our nation’s crumbling infrastructure. Visit ACPPA-action.org to urge your lawmakers to find alternative revenue streams for the Highway Trust Fund.

Harper Unveils “Historic” Building Canada Plan

On Feb. 13, Canadian Prime Minister Stephen Harper unveiled the much anticipated [New Building Canada Plan](#), the largest long-term infrastructure plan in Canadian history.

In addition to providing stable funding for ten years, the proposal’s key elements include dedicated funding for small communities, provincial-territorial allocations, project categories eligible for support, cost-sharing thresholds, and public-private partnership screening requirements.

Expected to launch this spring, it will support projects that focus on economic growth, job creation, and productivity, such as:

- \$32 billion to municipalities for projects such as roads, public transit and recreational facilities, and other community infrastructure;
- \$14 billion to support projects of national, regional, or local significance;
- \$1.25 billion for public-private partnerships;
- \$6 billion for existing infrastructure programs; and
- \$516 million to deliver new and existing infrastructure programs over the next 10 years, including audits and evaluations.

ACPPA is working with the Canadian Chamber of Commerce and other stakeholders to build awareness about Canada’s infrastructure needs and the need for increased investment. Earlier this year, the CCC released a report titled [“The Foundations of Competitive Canada”](#) to underscore needs and solutions. Canadian ACPPA members are encouraged to help spread the word by circulating the report to local, provincial, and federal officials.